

## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Fillmore Field Office

95 East 500 North

Fillmore, UT 84631

<http://www.blm.gov/ut/st/en/fo/fillmore.html>



RECEIVED

DEC 01 2014

DIV. OF OIL, GAS & MINING

IN REPLY REFER TO:  
3600 (UTW02000)  
UTU-85817

November 18, 2014

CERTIFIED MAIL # 7012 3460 0000 6633 2834

RETURN RECEIPT REQUESTED

Mr. Edwin Lister  
P.O. Box 651  
Delta, Utah 84624

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43 CFR 3600 – Mineral Materials

### Continuation Options for Mineral Materials Sales at Bullseye Project

Your request for an additional minerals sale from the Bullseye Project location was received by the Bureau of Land Management (BLM) on October 10, 2014. You have requested the sale of 100 additional tons of banded rhyolite from the site and have submitted an additional \$1,250.00 in payment. The submitted funds have been placed in a suspense account until a new authorization is granted with one, or both, of two options discussed below.

Your previous contract with the Bureau of Land Management (BLM) for a mineral materials sale at the Bullseye Project expired on October 14, 2014. The sale was for 100 tons of banded rhyolite, appraised at \$12.50/ton. Please submit a production report of the total amount removed prior to any authorization for continued operations, as required by the Code of Federal Regulations (CFR) under 43 CFR §3602.29.

The Bullseye Project is located in Township 14 South, Range 11 West, Salt Lake Meridian, Section 33, in aliquot part S½ NW¼ NE¼. Surface disturbance at your existing operation currently encompasses approximately 1.5 acres. The exclusive sale was previously assigned BLM case file number UTU-85817. Please refer to this number for any future communication concerning the Notice. The corresponding Utah Division of Oil, Gas, and Mining (UDOGM) case file number is S/023/0031.

One option, and probably the simplest choice in this scenario, is for you to request a one-year extension of the previous contract by the BLM. As specified in the Code of Federal Regulations under 43 CFR §3602.27, you may request a contract extension if you explain that a delay in removing the purchased mineral materials under a contract was due to circumstances beyond your control, such as health issues. 43 CFR §3602.27 states that the BLM may grant a one-time extension of a contract not to exceed one year, if:

- (a) (1) For contracts with terms over 90 days, the BLM receives your written request



between 30 and 90 days before the contract expires; or

(2) For contracts with terms of 90 days or less, BLM receives your written request not later than 15 days before the contract expires; and

(b) You show in writing that the delay in removing the mineral materials was due to causes beyond your control and was not due to your fault or negligence.

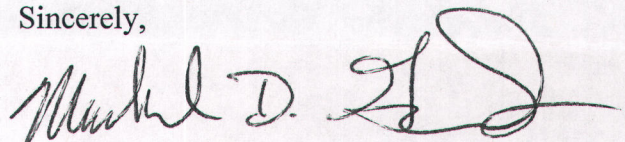
You were notified on September 10<sup>th</sup> of the impending contract expiration on October 14<sup>th</sup> and your response was received on October 10<sup>th</sup>. However, the BLM is willing to consider that because of your health issues, you were not able to immediately respond. An extension request may therefore be considered.

A second option may be requested by you in addition to an extension, or separately. You may request a completely new sale contract for a period not to exceed five years. As described in 43 CFR §3602.34, the BLM may not issue a noncompetitive contract for mineral materials for a period exceeding five years, excluding any contract extension granted under 43 CFR §3602.27. However, as directed by 43 CFR §3602.31(b), the BLM must charge a processing fee to prepare a sale contract, and accompanying environmental analyses, on a case-by-case basis. If you wish to proceed with a new sale contract for five years or less, the BLM will prepare a processing fee estimate and notify you of the amount in writing. Any funds not spent in processing your sale request will be returned to you.

If you decide that you do not wish to resume production now that the contract has expired, then you must initiate reclamation operations at the site. Reclamation, including earthwork and revegetation, must be completed to BLM and UDOGM standards before a potential refund of the reclamation bond may be processed.

If you have any questions regarding your application or the processing fees connected with a new contract, please contact Duane Bays, Fillmore Field Office (FFO) Natural Resource Specialist, at (435) 743-3115.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael D. Gates", with a stylized flourish at the end.

Michael D. Gates  
Field Manager

cc: Paul Baker  
UDOGM  
1594 W North Temple Ste 1210  
SLC, UT. 84114-5801